4/30/84
A 0875-1

AMERICAN AUTOMOTIVE LEASING ASSOCIATION

ANALYSIS OF COSTS AND RELATED INFORMATION

NON-FINANCE LEASING (CLOSED-END)

YEARS 1983 AND 1982

TABLE OF CONTENTS

	PAGE
Comparative Analysis of Average Per Unit Per Month Costs	1
Analysis of Per Unit Per Month Costs	2
Repairs and Maintenance	3
Insurance - Collision and Comprehensive and Umbrella Liability	4
License Tags, State and Local Taxes	5
Interest Expense	6
General and Administrative Expenses	7
Composition of Fleets	8
Type of Customer	9
Used Car Disposition	10
Leasing and Rental Activities	11
Record Keeping Methods	12

COMPARATIVE ANALYSIS OF AVERAGE PER UNIT PER MONTH COSTS

YEARS 1983 AND 1982

			Increase (Decrease)		
	1983	1982	Amount	Percentage	Percentage of Total
OPERATING COSTS:					
Depreciation	$173.40	$169.18	$ 4.22	2.49%	54.2%
Repairs and maintenance	33.07	33.19	(.12)	(.36)	1.5
Insurance	13.15	14.82	(1.67)	(11.27)	21.3
License tags and taxes	7.93	7.84	.09	1.10	1.2
Interest	63.99	63.92	.07	.10	0.8
Delivery	1.96	1.67	.29	17.36	3.7
TOTAL OPERATING COSTS	$293.50	$290.62	$ 2.88	.99	36.9%
General and administrative	34.63	29.70	4.93	16.60	63.1
TOTAL COSTS	$328.13	$320.32	$ 7.81	2.44%	100.0%
AVERAGE MONTHS IN OPERATION	30.2	28.1			

ANALYSIS OF PER UNIT PER MONTH COSTS FOR THE YEAR 1983

	Depreciation %	Depreciation Amount	Repairs and Maintenance (Page 3)	Insurance (Page 4)	Tags and Taxes (Page 5)	Interest (Page 6)	Delivery	Total Operating Costs	General and Administrative (Page 7)	Total Costs	Average Months in Operation
Less than 1,000 cars											
A	-	$152.24	($ 1.22)	$ -	$ 2.43	$ 72.46	($ .24)	$228.59	($ 86.51)	$315.10	36
B	1.600	175.00	(53.00)	(41.50)	-	70.00	-	339.50	-	339.50	42
C	2.250	(220.50)	24.22	12.10	-	(30.18)	-	287.00	38.83	325.83	29
D	2.083	152.13	(44.38)	17.92	21.77	-	-	236.20	(40.98)	277.18	27
E	2.250	173.71	18.67	(4.53)	2.43	(111.42)	.68	311.44	36.67	348.11	24
F	2.500	187.12	(7.53)	(3.29)	2.59	61.23	(.30)	262.06	34.68	296.74	26
Average costs		168.04	21.45	15.01	7.31	67.90	.68	280.39	36.73	317.12	
1,000 - 1,999 cars											
G	1.950	187.00	29.00	10.00	15.00	66.00	2.00	309.00	30.00	339.00	27
H	2.000	133.00	(4.00)	(3.00)	4.00	71.00	2.00	217.00	40.00	257.00	29
I	2.400	(329.00)	(10.00)	(61.00)	4.00	-	-	404.00	(125.00)	529.00	36
J	2.250	198.81	52.15	16.93	5.09	65.85	-	338.83	39.23	378.06	24
Average costs		172.94	40.58	13.47	7.02	67.62	2.00	303.63	36.41	340.04	
Over 2,000 cars											
K	2.500	(226.25)	37.17	(3.83)	3.23	56.77	2.53	329.78	21.60	351.38	29
L	2.500	(227.45)	N/A	N/A	3.37	(30.27)	(.50)	261.59	22.29	283.88	29
M	2.000	177.00	35.19	8.97	21.48	72.88	1.82	317.34	(41.00)	358.34	29
N	1.600	-	-	-	-	(118.43)	-	118.43	(52.30)	170.73	36
O	1.930	170.34	35.12	12.98	9.80	60.07	(.55)	288.86	(42.51)	331.37	32
P	2.250	201.03	N/A	N/A	-	43.62	2.74	247.39	27.83	275.22	28
Average costs		182.79	35.83	10.98	9.47	58.34	2.36	299.77	23.91	323.68	
Combined average costs		173.40	33.07	13.15	7.93	63.99	1.96	293.50	32.35	325.85	

REPAIRS AND MAINTENANCE

	Mech. Repairs and Maint.	Lube (Oil and Grease)	Tires	Adm. Salaries	Free Loaner	Total	Maint. Cap or Budget	Limit Tires #		Non-Auth. Repair Limit	Miles Limit		Average Annual Mileage	Composition of Fleets: Full Maintenance %	Composition of Fleets: Non-Maintenance %
												Miles Annual			
Less than 1,000 cars															
A	($ 1.22)	$ -	$ -	$ -	$ -	($ 1.22)	No	-	-	$ -	No	-	-	5	95
B	20.00	5.00	8.00	-	(20.00)	(53.00)	No	Yes	4	25	Yes	Various	59,000	20	80
C	17.86	-	5.52	(.40)	.44	24.22	Yes	Yes	Varies	50	Yes	Various	53,000	32	68
D	22.04	.96	4.71	(14.79)	1.88	(44.38)	No	Yes	2	50	Yes	25,000	22,000	64	36
E	12.46	(.33)	(1.56)	4.32	-	18.67	No	Yes	4	35	Yes	25,000	25,000	66	34
F	(.52)	-	-	3.36	3.65	(7.53)	Yes	-	-	None	Yes	20,000	40,000	-	100
1,000 - 1,999 cars															
G	20.00	-	9.00	-	-	29.00	Yes	No	-	25	Yes	Various	25,000	37	63
H	(4.00)	-	-	-	-	(4.00)	Yes	-	-	-	Yes	18,000	20,000	1	99
I	(10.00)	-	-	-	-	(10.00)	No	Yes	-	-	Yes	18,000	40,000	65	35
J	36.93	-	9.56	4.18	1.48	52.15	No	Yes	3	40	Yes	Various	23,308	43	57
Over 2,000 cars															
K	33.53	1.62	(1.62)	(.40)	-	37.17	No	Yes	Varies	50	Yes	24,000	18,000	50	50
L	N/A	-	-	-	-	N/A	No	-	-	N/A	Yes	20,000	24,000	-	100
M	26.54	-	7.11	1.54	-	35.19	No	No	-	35	Yes	-	20,000	96	4
N	-	-	-	-	-	-	-	Yes	2	25	Yes	Various	-	2	98
O	35.12	-	-	-	-	35.12	No	Yes	Varies	40	Yes	Various	18,000	52	48
P	N/A	-	-	-	-	N/A	-	-	-	N/A	-	-	-	-	100
Average costs - 1983	24.94	2.53	7.32	3.34	1.86	33.07									
Average costs - 1982	25.00	2.14	7.56	2.35	2.52	33.19									

INSURANCE-COLLISION AND COMPREHENSIVE (C&C) AND UMBRELLA LIABILITY

	Per Unit Per Month Costs								Charge Back - Deductibles			
	Gross C&C Costs	Less Recoveries	Net C&C Costs	Add Insurance Salaries	Total C&C Costs	Add Umbrella Liability	Total Costs	Self Insured		Amount	PL & PD Insurance Available	Umbrella Liab. Coverage Range (Thous.)
Less than 1,000 cars												
A	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	-	$ -	-	$ -
B	(39.50)	-	(39.50)	-	(39.50)	2.00	(41.50)	Yes	Yes	250	Yes	1,000
C	10.82	-	10.82	-	10.82	1.28	12.10	Yes	Yes	250	Yes	2,000
D	17.92	-	17.92	-	17.92	-	17.92	Yes	Yes	350	Yes	1,000
E	(3.76)	-	(3.76)	.77	(4.53)	-	(4.53)	-	Yes	250	No	-
F	-	-	-	-	-	-	(3.29)	No	Yes	250	No	-
1,000 - 1,999 cars												
G	-	-	-	-	-	-	10.00	Yes	Yes	200	Yes	1,000 - 5,000
H	-	-	-	-	-	(3.00)	(3.00)	No	-	-	No	100/300/50 in excess of 1 M
I	(60.00)	-	(60.00)	-	(60.00)	1.00	(61.00)	No	-	-	Yes	3,000
J	27.77	14.72	13.05	3.88	16.93	-	16.93	Yes	Yes	250	Yes	-
Over 2,000 cars												
K	(2.96)	-	(2.96)	.87	(3.83)	-	(3.83)	Yes	Yes	250	No	500 - 25,000
L	-	-	-	-	-	-	N/A	-	No	-	No	-
M	17.23	11.00	6.23	1.11	7.34	1.63	8.97	Yes	Yes	250	-	1,500
N	-	-	-	-	-	-	-	-	-	-	-	-
O	11.06	-	11.06	1.52	12.58	.40	12.98	Yes	-	-	Yes	20,000
P	-	-	-	-	-	-	N/A	-	-	-	No	-
Average costs - 1983	16.25	12.86	11.82	1.63	13.12	1.26	13.15					
Average costs - 1982	16.18	5.75	12.68	1.85	14.28	1.24	14.82					

LICENSE TAGS, STATE AND LOCAL TAXES

	Per Unit Per Month Costs			Charge Back Taxes to Lessees
	Total	License Tags	State and Local Taxes	
Less than 1,000 cars				
A	$ 2.43	$ -	$ -	-
B	-	-	-	All
C	-	-	-	All
D	21.77	1.80	19.97	All
E	2.43	-	-	All
F	2.59	-	-	All
1,000 - 1,999 cars				
G	15.00	2.00	13.00	Portion
H	4.00	4.00	-	All
I	4.00	4.00	-	None
J	5.09	4.32	.77	All
Over 2,000 cars				
K	3.23	-	-	Portion
L	3.37	-	-	Portion
M	21.48	5.26	16.22	Portion
N	-	-	-	-
O	9.80	2.30	7.50	None
P	-	-	-	All
Average costs - 1983	7.93	3.38	11.49	
Average costs - 1982	7.84	3.41	7.83	

INTEREST EXPENSE

	Per Unit Per Month Costs	Percentage of Car Cost Financed	Average Monthly Loan Amortization %	Average Simple Interest Rate %	Percentage Over Prime Rate	Compensating Balance Required	% of Loan Balance	Loan Commitment Fee Required
Less than 1,000 cars								
A	$ 72.46	90.00	-	12.00	1.00	No	-	No
B	70.00	100.00	1.60	12.00	1.00	No	-	No
C	(30.18)	—Capital Loan—		11.00	-	No	-	No
D	-	100.00	1.55	12.50	1.50	No	-	No
E	(111.42)	86.00	2.00	15.00	1.25	No	-	No
F	61.23	100.00	2.25	15.00	.25	No	-	No
1,000 - 1,999 cars								
G	66.00	100.00	2.50	14.75	.75	No	-	No
H	71.00	100.00	2.00	14.00	1.00	No	-	No
I	-	89.00	2.50	11.50	-	No	-	No
J	65.85	100.00	2.25	12.25	.50	No	-	No
Over 2,000 cars								
K	56.77	100.00	2.00	12.00	.25	No	-	No
L	(30.27)	100.00	N/A	11.59	-	No	-	No
M	72.88	100.00	2.00	16.00	1.25	No	-	No
N	(118.43)	100.00	2.00	17.30	1.00	No	-	No
O	60.07	100.00	2.07	17.10	.50	No	-	No
P	43.62	50.00	2.00	11.50	.50	No	-	No
Averages - 1983	63.99	94.33%	2.06%	13.47%	.72%			
Averages - 1982	63.92	96.83%	2.29%	16.21%	.79%			

GENERAL AND ADMINISTRATIVE EXPENSES
PER UNIT PER MONTH COSTS

	Total	Principal(s) Salary	Advertising	Travel & Promotion	Telephone & Telegraph	Rent & Occupancy	Office Supplies & Expense	Data Processing	Professional Fees	Administrative Salaries	Sales Salaries	Taxes	Insurance	Other
Less than 1,000 cars														
A	($ 86.51)	$ 4.57	$19.50	$ .60	$3.59	$ 6.14	$ 2.25	$2.01	$ -	$ 3.31	$23.63	$ -	$ 2.06	$18.85
B	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	38.83	8.49	.34	1.83	.96	3.23	1.86	1.45	2.07	6.14	5.86	1.18	-	5.42
D	40.98	4.00	1.39	.86	.68	1.80	.68	-	-	24.12	6.00	-	-	1.45
E	36.67	4.91	1.33	1.45	.83	1.99	2.32	-	1.18	7.06	5.72	1.91	2.09	4.88
F	34.68	-	6.19	.51	1.76	-	1.40	-	1.28	15.42	2.43	2.26	-	3.43
1,000 - 1,999 cars														
G	30.00	-	-	-	1.00	3.00	1.00	1.00	1.00	10.00	6.00	2.00	-	5.00
H	40.00	3.00	3.00	1.00	1.00	2.00	1.00	1.00	2.00	6.00	11.00	-	-	9.00
I	(125.00)	19.00	11.00	2.00	3.00	29.00	5.00	9.00	9.00	10.00	13.00	1.00	14.00	-
J	39.23	5.00	2.88	2.60	1.15	4.64	1.83	.80	1.24	8.00	5.09	3.10	2.90	-
Over 2,000 cars														
K	21.60	2.27	.18	.56	1.07	.45	3.68	-	1.48	10.27		.91	.31	.42
L	22.29	-	.48	1.36	1.20	2.79	1.01	1.12	.83	-	12.57	.22	.27	.44
M	41.00	6.00	2.40	2.00	2.40	1.60	3.20	1.60	1.20	6.80	3.20	1.60	3.00	6.00
N	(52.30)	-	2.68	1.93	2.17	3.67	10.87	2.92	1.64	3.87	22.60	.93	.97	(1.95)
O	42.51	1.10	2.96	1.25	2.10	4.10	2.32	1.83	.60	9.82	12.00	.44	1.11	2.88
P	27.83	-	.51	.35	.88	1.65	.93	1.17	.25	4.17	11.95	.97	.37	4.65
Average costs - 1983	34.63													
Average costs - 1982	29.70													

COMPOSITION OF FLEETS

	Model Sizes												
	Standard %	Intermediate %	Compact %	Air Conditioning %	Chevrolet %	Ford %	Chrysler Corp. %	Pontiac %	Oldsmobile %	Buick %	Cadillac %	Foreign %	Other %
A	20	60	20	95	40	20	2	–	–	–	–	38	–
B	20	40	40	100	5	15	20	5	20	5	5	20	5
C	25	45	30	98	22	10	8	9	23	14	2	6	6
D	25	33	42	98	48	10	3	3	25	3	1	6	1
E	25	50	25	99	25	5	5	15	30	15	1	4	–
F	15	75	10	99	44	1	1	2	20	15	3	12	2
G	12	78	10	84	20	36	10	2	12	10	1	3	6
H	25	53	22	100	20	33	–	12	12	13	–	7	3
I	70	20	10	100	25	4	6	4	21	14	14	5	7
J	11	81	8	100	19	10	7	18	23	15	2	1	5
K	11	54	35	100	33	2	1	22	22	18	1	–	1
L	21	47	32	80	22	20	12	6	17	14	1	3	5
M	10	40	50	98	36	3	6	4	34	10	1	2	4
N	–	–	–	–	73	5	3	–	–	–	–	8	11
O	27	52	21	99	29	16	5	3	26	12	3	4	2
P	20	70	10	90	34	7	6	–	28	10	2	6	7
Averages - 1983	23	53	24	96	31	12	6	7	20	10	2	8	4
Averages - 1982	23	51	26	94	32	11	5	8	18	12	3	6	5

TYPE OF CUSTOMER

	Percentages of Fleets			
		Fleets of:		
	Individuals	2 to 20	21 to 100	Over 100
A	60	20	20	-
B	50	50	-	-
C	95	5	-	-
D	13	83	4	-
E	20	75	4	1
F	80	20	-	-
G	20	70	10	-
H	35	60	5	-
I	85	10	5	-
J	5	26	26	43
K	-	1	19	80
L	6	24	21	49
M	60	30	8	2
N	-	-	-	-
O	20	35	30	15
P	17	37	26	20

USED CAR DISPOSITION

		Reconditioning Prior to Sale		Used Cars Disposed Through						Location Where Cars are Sold	
				New Car Dealers		Used Car Dealers		Lessees and Their Employees			
		% of Cars Reconditioned	Average Amount	Sales %	Trade %	%	Auctions %	%	Retail %	On the Road %	Home Office %
A	No	–	–	–	–	40	–	5	60	10	90
B	Yes	–	75	25	–	50	15	10	–	–	100
C	No	–	–	–	–	80	10	10	–	15	85
D	Yes	77	300	3	–	20	–	17	60	–	100
E	Yes	10	200	–	–	80	–	–	20	40	60
F	–	–	–	–	–	90	–	–	10	–	100
G	Yes	25	150	2	–	30	33	35	–	40	60
H	Yes	20	300	25	–	30	–	5	40	5	95
I	Yes	95	600	40	1	–	30	–	29	–	100
J	Yes	30	200	1	–	41	30	28	–	60	40
K	No	–	–	–	–	60	2	38	–	90	10
L	No	–	–	–	–	72	–	28	–	28	72
M	Yes	20	148	–	–	50	20	20	10	30	70
N	Yes	–	–	–	–	100	–	–	–	23	77
O	Yes	16	609	1	–	37	7	29	26	18	82
P	Yes	25	–	–	–	44	20	5	31	2	98
Averages - 1983				6	–	52	10	14	18	23	77
Averages - 1982				8	–	46	16	16	14	38	62

LEASING AND RENTAL ACTIVITIES

	Percentage Growth in Past Year	Finance Leasing	Daily Car Rental	Daily Truck Rental	Long-Term Truck Leasing	Fleet Management	Non-Automotive Equipment Leasing			Own or Affiliation With New Car Dealership
								By Choice	Accommodation	
A	90.00	Yes	Yes	No	No	No	Yes	Yes	-	No
B	100.00	Yes	Yes	Yes	Yes	No	No	-	-	Yes
C	-	Yes	No	No	Yes	No	Yes	Yes	-	No
D	60.00	Yes	Yes	No	No	No	No	-	-	No
E	-	Yes	Yes	No	Yes	Yes	No	-	-	Yes
F	29.00	Yes	Yes	No	Yes	No	No	-	-	Yes
G	35.00	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
H	20.00	Yes	Yes	Yes	Yes	No	No	-	-	Yes
I	10.00	No	Yes	Yes	No	No	No	-	-	No
J	3.50	Yes	Yes	No	Yes	Yes	No	-	-	No
K	23.00	Yes	No	No	No	Yes	Yes	-	Yes	Yes
L	3.50	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	No
M	32.50	Yes	No	No	No	Yes	No	-	-	No
N	-	Yes	No	No	No	No	No	-	-	Yes
O	(4.85)	Yes	Yes	No	Yes	Yes	No	-	-	Yes
P	20.00	Yes	Yes	Yes	Yes	Yes	No	-	-	Yes

RECORD KEEPING METHODS

	Non-Mechanical (Done by Hand)	Mechanical (Non-Electronic Machinery)	Electronic System-Computer	
			Service Bureau	Own Installation
Less than 1,000 cars				
A	-	-	X	-
B	X	-	-	X
C	-	-	X	-
D	X	-	-	-
E	-	-	-	X
F	-	-	-	X
1,000 - 1,999 cars				
G	-	-	-	X
H	-	-	-	X
I	-	-	-	X
J	-	X	X	X
Over 2,000 cars				
K	-	-	-	X
L	-	-	-	X
M	-	-	-	X
N	-	-	X	-
O	-	-	-	X
P	-	-	-	X